

**FISCAL NOTE**  
**SB 20 - HB 25**  
**FIRST EXTRAORDINARY SESSION**

April 6, 1999

**SUMMARY OF BILL:** Increases the privilege tax on cigarettes from 13¢ per pack of twenty cigarettes to 26¢ per pack of twenty cigarettes.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenues - \$47,840,000**

**Increase State Expenditures - \$23,000 One-Time**

Estimate assumes the following:

- Approximately 612,000,000 packs of cigarettes were sold last year.
- A decrease in sales of approximately 122,000,000 packs due to the increased tax.
- Cigarettes are sold in packs of twenty.
- A one-time increase in state expenditures of \$23,000 resulting from MIS system implementation costs.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director